



# CALIFORNIA ENVIRONMENTAL PROTECTION AGENCY NEWS RELEASE

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## Department of Toxic Substances Control

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### **DTSC certifies cleanup of Pacific States Steel site in Union City**

BERKELEY – Citing the need for clean up of brownfield properties to address contamination and reduce or prevent exposure to hazardous substances, Department of Toxic Substances Control (DTSC) Director Maureen Gorsen today announced certification of the 62-acre Pacific States Steel site located at 35124 Alvarado-Niles Road in Union City. Certification means that the cleanup of all hazardous substances on the site is now complete.

“Certification of this brownfield site ensures the public will be protected from harmful exposure to toxic contamination,” said Gorsen. “With this certification, the Pacific States Steel site will continue to be redeveloped into new housing. Future commercial development is also expected to be constructed.

This is consistent with Governor Schwarzenegger’s environmental goals to clean up these types of properties and stimulate redevelopment of blighted and underutilized sites, allowing cities to accommodate locally desirable mixed use, compact development and urban infill growth, curtailing urban sprawl,” Gorsen added.

Pacific States Steel Corporation operated a steel mill on the site from 1938 to 1978. The final removal action included moving approximately 400,000 cubic yards of slag and soil contaminated with metals and polychlorinated biphenyls (PCBs) into a consolidation area and constructing a soil cover with underlying geosynthetic layers. Approximately 87,650 cubic yards of sludge, steel mill waste materials, and soil contaminated with bunker oil, diesel fuel, and PCBs was excavated and disposed at permitted landfills.

The cleanup was completed in five phases, and more than 340 residential units have been or are being constructed on portions of the site where cleanup was completed earlier. The capped, slag consolidation area is currently being marketed for commercial development. The cleanup cost was over \$20 million.

When all of the completed and under-construction residences are sold, the assessed property value of the site is estimated to be \$238 million. The sale of portions of the site has enabled the Court-appointed “Special Masters” overseeing the project to pay for the cleanup and to pay Court-approved creditors, including the pensioners of Pacific States Steel Corporation. Over \$5.8 million has been paid to the pensioners, who had been left with an unfunded medical plan since 1972, and funds have been reserved for future payment of their medical benefits.

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Claude and Nina Gruen have served as "Special Masters" appointed by the U.S. District Court to handle the financial obligations for the now defunct Pacific States Steel Corporation since 1999.

"As the cleanup was conducted in phases, development was able to start before all areas of the site were remediated," said Claude Gruen. "To date, 119 single-family homes have been constructed and sold on portions of the site that were cleaned up in earlier phases. An additional 217 townhomes and 6 single-family homes are either under construction now or will be so before the end of the year."

"The remaining acreage now being marketed will add job-producing commercial development, and further value to the property tax rolls," Nina Gruen added. "

For more information, visit [www.dtsc.ca.gov](http://www.dtsc.ca.gov).

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***The Department of Toxic Substances Control is a department of the California Environmental Protection Agency. DTSC's mission is to restore, protect, and enhance the environment and ensure public health, environmental quality and economic vitality by regulating hazardous waste, conducting and overseeing cleanups, and developing and promoting pollution prevention.***